CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Fergus County Land Banking Sale #715
Proposed Implementation Date:	Fall / Winter 2014
Proponent:	Edward Butcher
Location:	T20N, R20E, Sec 16 – Common Schools
County:	Fergus County

I. TYPE AND PURPOSE OF ACTION

Offer for sale at public auction, one parcel encompassing 640 acres of state trust land currently held in trust for the Common School trust beneficiaries.

Revenue from the sale would be deposited in a special account used to purchase replacement land meeting acquisition criteria related to legal access, productivity, and potential income which would then be held in trust for the beneficiary. The proposed sale is part of a program called Land Banking authorized by the 2003 Legislature. The purpose of the program is to diversify the land portfolio of the various trusts, improve the sustained rate of return to the trusts, improve access to state trust land, and consolidate ownership.

II. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:

Provide a brief chronology of the scoping and ongoing involvement for this project.

DATE	GROUP AND / OR INDIVIDUALS CONTACTED
May 23 to August 1, 2014	Montana Environmental Policy Act - Public Scoping Individuals and organizations contacted: Trust Land lessees, adjacent landowners, County Commissioners, Negotiated Rulemaking Committee members, Land Banking scoping list and DFWP Region 4. No comments were received regarding the proposed sale.

2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:

None

3. ALTERNATIVES CONSIDERED:

Alternative A- No action, do not sell Trust Land.
Alternative B- Sell Trust Land

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" If no impacts are identified or the resource is not present.*

4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.

This parcel is typical of the Missouri river breaks country with bench land dissected by Deadman and Deer Coulees. Class V, VI AND VII clay soils dominate the range sites.

No direct, indirect or cumulative effects are anticipated.

5. WATER QUALITY, QUANTITY AND DISTRIBUTION:

Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.

Deadman and Deer Coulees, ephemeral tributaries of Armells Creek cross the parcel SW to NE. A developed spring provides livestock water documented by water right 40EJ-21683-00.

No impact is expected. No direct, indirect or cumulative effects are anticipated.

6. AIR QUALITY:

What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.

The parcels are located within a class II air shed. No direct, indirect or cumulative effects are anticipated.

7. VEGETATION COVER, QUANTITY AND QUALITY:

What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.

The vegetation is typical for the area including western wheatgrass (Agropyron smithii), green needle (Stipa viridula), and needle and thread (stipa comata) and native forbs. 121 acres in the NW4 are farmed and planted to alfalfa / grass hay land. A search of the Montana Natural Heritage Program database indicates there are no known rare, unique cover types or vegetation on the tracts.

Vegetation may be affected by numerous land management activities including livestock grazing, conversion to cropland, development or wildlife management. It is unknown what land use activities may be associated with a change in ownership; however the vegetation on this land is typical of land throughout the vicinity and there are no known rare, unique cover types or vegetation on these tracts.

No direct, indirect or cumulative effects are anticipated.

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:

Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify cumulative effects to fish and wildlife.

A variety of wildlife species including elk, mule deer, antelope, fox, coyote, sage grouse, sharp-tail and non-game birds use these tracts during various times of the year. No seasonal concentrations of wildlife are known to exist on the tracts.
No direct, indirect or cumulative effects are anticipated.

9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:

Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.

A search of the Natural Heritage Resource data base did not identify habitat for any threatened or endangered species. The search did identify habitat within Fergus County for following sensitive species; Greater Sage Grouse.

DFWP has developed a state wide sage grouse habitat map with distinctions of core and general sage grouse habitat. The west half of the parcel is within sage grouse core habitat and the east half within sage grouse general habitat. No sage grouse leks are known to exist on the property. The northwestern quarter section has been previously broken for farming and is no longer suitable sage grouse habitat. Deadman and Deer Coulees dissect the parcel with unsuitable habitat and encroachment of pine trees. Sage brush constitutes 7-9% of the plant community. Farm land exists immediately adjacent to the parcel to the north, west and south and timber to the east. The parcel thus provides poor sage grouse habitat.

The existing lessee has indicated a desire to continue current management which consists of livestock grazing and hay land management.

No direct, indirect or cumulative effects are anticipated

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

Identify and determine effects to historical, archaeological or paleontological resources.

The state parcel nominated for sale (Section 16, T10N R17E) was inventoried to Class III standards for cultural and paleontological resources. No *Antiquities*, as defined under the Montana State Historic Preservation Act, were identified. Further, neither Judith River nor Hell Creek geological formations occur on or beneath the ground surface of the subject state tract.

No direct, indirect or cumulative effects are anticipated

11. AESTHETICS:

Determine if the project is located on a prominent topographic feature, or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.

The parcel is typical of the upland Missouri River breaks country consisting of two upland benches bisected by ephemeral coulees. No change in aesthetics is expected as a result of sale.

No direct, indirect or cumulative effects are anticipated.

12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:

Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.

Sale of the parcel does not require use of any limited natural resources. No direct, indirect or cumulative effects are anticipated.

13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:

List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.

No other environmental documents pertinent to this area are known to exist. No direct, indirect or cumulative effects are anticipated.

IV. IMPACTS ON THE HUMAN POPULATION

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" if no impacts are identified or the resource is not present.*

14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

Sale of the property will not result in any impacts to human health or safety.

No direct, indirect or cumulative effects are anticipated.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

Identify how the project would add to or alter these activities.

A 121 acre portion of the NW quarter of the parcel has previously been broken for agricultural production and is managed as hay land. Surrounding land uses consist of both farming and ranching practices. The project proponent has indicated a desire to continue current operations.

No direct, indirect or cumulative effects are anticipated.

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.

The sale of the parcel would have no effect on the quality or distribution of employment. No direct, indirect or cumulative effects are anticipated.

17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.

The parcels would move from tax exempt status to taxable status, which will provide income to the county. On average grazing land contributes $1-$2 per acre tax revenue resulting in $640 - $1,280 of new tax base for Fergus County.

No direct, indirect or cumulative effects are anticipated

18. DEMAND FOR GOVERNMENT SERVICES:

Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services

The sale of the parcel would have no effect on the demand for government services. No direct, indirect or cumulative effects are anticipated.

19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:

List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.

Fergus County has not adopted land zoning designations. No other local, state or federal management plans exist for the parcel.

No direct, indirect or cumulative effects are anticipated.

20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:

Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.

This parcel has no means of legal access other than through permissive access through adjoining private lands. Access to this parcel after sale would continue to be through permissive access through deeded property.

No direct, indirect or cumulative effects are anticipated.

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:

Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.

This sale proposal will not result in any need for additional housing nor affect population.

No direct, indirect or cumulative effects are anticipated.

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

This sale proposal will not result in any change to native or traditional lifestyles. No direct, indirect or cumulative effects are anticipated.

23. CULTURAL UNIQUENESS AND DIVERSITY:

How would the action affect any unique quality of the area?

The parcels do not exhibit any unique qualities. No direct, indirect or cumulative effects are anticipated.

24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:

Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.

This 640 acre parcel currently has two grazing leases one of which also includes hay land and aftermath grazing. There are 87 AUMs on 519 acres of native range (.17 AUM / AC) and 26 aftermath AUMs for a total of 113 AUM at a rate of $11.41 and generating an annual income of $992. In addition 121 acre of hay land produces $1,952 average annual income or $16.13 / acre. Total income from the parcel is $2,944 or approximately $4.60/acre. State wide 4.3 million acres of grazing land produce 990,000 AUM with an average carrying capacity of .25 AUM / acre and return of $2.76 / acre. State wide approximately 460,000 dryland crop acres provide an annual return of $21.55 / acre. Therefore this tract is considered below average in productivity and revenue per acre.

An appraisal of the property value has not been completed. Assuming a value of $400/acre grassland and $800 cropland the current annual return on the asset value for this tract is 0.96%. Average income rate of return on acquisitions with income generated from annual lease payments is 1.97%. This would indicate a higher return on asset value could be expected under Alternative B, sale of the property.

EA Checklist Prepared By:	**Name:**	Clive Rooney	**Date:**	08/11/14
	Title:	NELO Area Manager		

V. FINDING

25. ALTERNATIVE SELECTED:

Alternative B – Sale. The parcel has no unique attributes and contributes below average income from hay land and grazing rental to the common school trust. The parcel does not have legal access and has average

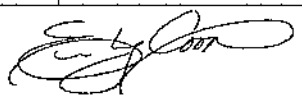
recreational amenity. Sale and purchase of replacement land will generate more income and provide for public recreational access.

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

No significant impacts are anticipated as a result of sale.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

[ ]	EIS	[ ]	More Detailed EA	[X]	No Further Analysis

EA Checklist Approved By:	**Name:**	Emily Cooper
	Title:	Real Estate Program Manager
Signature:		**Date:** 8/13/2014

Butcher Land Banking scoping list

Neighboring land owners
Robert Bold, Winifred, MT 59453

County Commission
Fergus County Commission, Lewistown, MT 59457

Land Banking Scoping list

Updated 2/12/13

LAND BANKING SCOPING LIST

NAME OR AGENCY	ADDRESS
NEGOTIATED RULEMAKING COMMITTEE	
Anne Hedges	Montana Environmental Information Center PO Box 1184 Helena, MT 59624
Bill Orsello/Stan Frasier	Montana Wildlife Federation PO Box 1175 Helena, MT 59624
Bob Vogel	Montana School Boards Association 863 Great Northern Blvd., Ste 301 Helena, MT 59601-3398
Daniel Berube	27 Cedar Lake Dr. Butte, MT 59701
Julia Altermus	Montana Wood Products PO Box 1967 Missoula, MT 59806
Harold Blattie	Montana Association of Counties 2715 Skyway Dr. Helena, MT 59601
Jack Atcheson, Sr.	3210 Ottawa Butte, MT 59701
Janet Ellis	Montana Audubon PO Box 595 Helena MT 59624
Leslie Taylor	MSU Bozeman P.O. Box 172440 Bozeman, MT 59717-0001
Jake Cummins	MT Farm Bureau Federation 502 S 19th, SUITE 104 BOZEMAN MT 59718
Kyle Hardin	Matador Cattle Co. 9500 Blacktail Rd. Dillon, MT 59725
Rosi Keller	University of Montana 32 Campus Dr. Missoula, MT 59812-0001

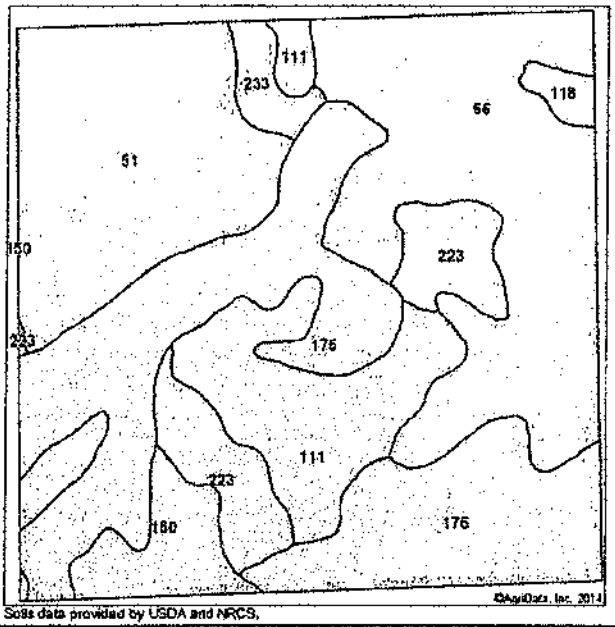
TRUST BENEFICIARIES	
Common Schools	Denise Juneau, Superintendent Office of Public Instruction BOX 202501 Helena, MT 59620-2501
University of Montana	Rosi Keller University of Montana 32 Campus Dr. Missoula, MT 59812-0001
MSU Morrill	Leslie Taylor Montana State University P.O. Box 172440 Bozeman, MT 59717-0001
MSU 2nd Grant	Leslie Taylor Montana State University P.O. Box 172440 Bozeman, MT 59717-0001
School for Deaf & Blind	Steve Gettel, Superintendent School for Deaf & Blind 3911 Central Ave Great Falls MT 59405-1697
School of Mines	Don Blackketter, Chancellor Montana Tech 1300 W Park Street Butte MT 59701
State Normal School	Richard Storey, Chancellor University of Montana Western 710 South Atlantic Dillon MT 59725
State Normal School	Dr Rolf Groseth, Chancellor Montana State University Billings 1500 N 30th Street Billings MT 59101
Public Buildings	Budget Director Office of Budget & Program Planning PO Box 200802 Helena MT 59620-0802
Veterans Home	Richard Opper, Director DPHHS Veterans' Home Trust Beneficiary PO Box 4210 Helena MT 59620-4210
State Industrial School	Mike Batista, Director Department of Corrections PO Box 201301 Helena MT 59620-1301

GOVERNMENTAL ENTITIES	
FWP	Dept of Fish, Wildlife & Parks Attn: Hugh Zackheim PO Box 200701 Helena, MT 59620-0701 FWP Regional Supervisor & Regional Biologist – mailing addresses can be found at: http://fwp.mt.gov/default.html, by clicking the region where your parcel is located, on the **Regional Information** map.
DEQ	Dept. of Environmental Quality Attn: Bonnie Lovelace PO Box 200901 Helena, MT 59620-0901
MT DOT	Dept of Transportation Attn: Carla Haas PO Box 201001 Helena, MT 59620-1001
County Commissioners	Mailing addresses for County Commissioners can be found at: http://maco.cog.mt.us/pages/COUNTIES.htm
Legislative members for the district where the property is located.	Mailing addresses for Representatives and Senators can be found at: http://nris.mt.gov/gis/legislat/2013/

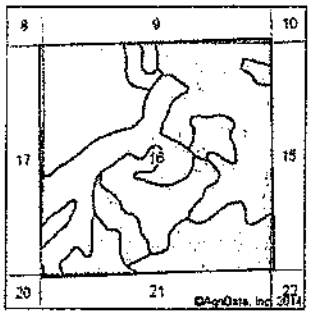
DNRC	**Sonya Germann** Forest Management Bureau MT DNRC – TLMD 2705 Spurgin Road Missoula, MT 59804 sgermann@mt.gov **Monte Mason** Minerals Management Bureau MT DNRC – TLMD 1625 11th Ave Helena, MT 59620 mmason@mt.gov **Kevin Chappell** Ag & Grazing Bureau MT DNRC – TLMD 1625 11th Ave Helena, MT 59620 kchappell@mt.gov **John Grimm** Real Estate Management Bureau MT DNRC – TLMD 1625 11th Ave Helena, MT 59620 jgrimm@mt.gov **Mike O'Herron** Planning Section Supervisor MT DNRC – TLMD 2705 Spurgin Road Missoula, MT 59804 moherron@mt.gov **Will Wood** Assessment Program Manager MT DNRC FAMB wwood@mt.gov **Amy Helena** Forest Management Planner Forest Management Bureau MT DNRC – TLMD 2705 Spurgin Road Missoula, MT 59804 AHelena@mt.gov
OTHER INTERESTED PARTIES	
All persons holding a License on the Parcel	TLMS

Any surface lessees	TLMS
All adjacent landowners of record	Mailing addresses for adjacent landowners can be derived from the Montana Cadastral Mapping site @ http://gis.mt.gov/
Other parties that have expressed interest of being notified of Land Banking sales	Addresses for these parties would be kept locally.
Craig Sharpe and Larry Copenhaver, Montana Wildlife Federation	lcopenhaver@mtwf.org csharpe@mtwf.org PO Box 1175 Helena, MT 59624
Glen Marx, Executive Director Montana Association of Land Trust (MALT)	PO Box 675 Whitehall, MT 59759 malt@jeffersonvalley.net

Soil Map



Soils data provided by USDA and NRCS.



State: Montana
County: Fergus
Location: 16-20N-20E
Township: Winifred
Acres: 647.82
Date: 8/12/2014

Soils Version
latest

Maps Provided By:
surety
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Area Symbol: MT027, Soil Area Version: 14

Code	Soil Description	Acres	Percent of field	Non-Ir Class	Ir Class	Pasture	Alfalfa hay	Alfalfa hay Irrigated	Grass hay Irrigated	Grass hay	Corn silage Irrigated
175	Neldore-Thebo clays, 25 to 60 percent slopes	191.48	29.6%	VIIe							
66	Gilts-Welter-Julin complex, 4 to 25 percent slopes	163.27	25.2%	VIe							
51	Creed-Gerdrum complex, 0 to 2 percent slopes	120.71	18.6%	Vs	Vs	1					
111	Gerdrum clay loam, 0 to 4 percent slopes	73.55	11.4%	VIs	VIs	1					
223	Tanna-Abor complex, 2 to 8 percent slopes	45.81	7.1%	IIIe			1			1	1
150	Linnet clay loam, 2 to 8 percent slopes	35.36	5.5%	IIIe			1			1	
233	Thebo clay, 2 to 8 percent slopes	11.49	1.8%	IVe			1			1	
118	Havre and Harlem soils, occasionally flooded	6.15	0.9%	VIw	VIw		1	3	1		11
					Weighted Average	0.3	0.2	*-	*-	0.1	0.2

Field borders provided by Farm Service Agency as of 5/21/2008. Aerial photography provided by Aerial Photography Field Office.